HOUSING MARKET INFORMATION

RENTAL MARKET REPORT

Sherbrooke CMA

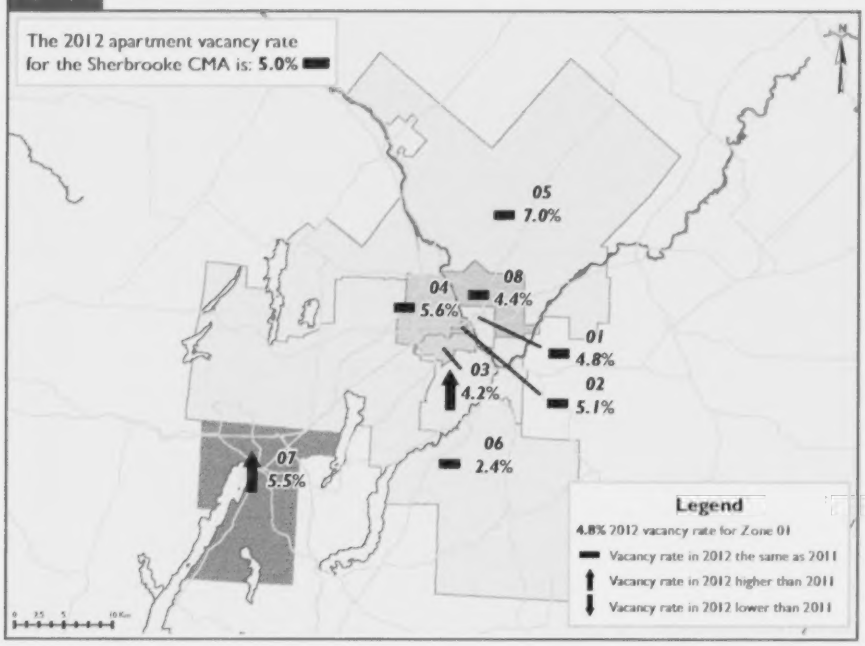
CANADA MORTGAGE AND HOUSING CORPORATION

Date Released: Fall 2012

Highlights

- The rental apartment vacancy rate did not change significantly in the Sherbrooke census metropolitan area (CMA) in 2012. After reaching 4.7 per cent in 2011, this rate attained 5.0 per cent in 2012.
- The estimated change in the average apartment rent between 2011 and 2012 was 0.5 per cent. Therefore, rents rose very slightly.

Figure 1



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Stable rental market in the Sherbrooke CMA

According to the results of the latest Rental Market Survey conducted in October 2012 by Canada Mortgage and Housing Corporation (CMHC), the rental apartment vacancy rate remained relatively stable in the Sherbrooke CMA. After climbing by only 0.1 of a percentage point in 2011 to 4.7 per cent, the vacancy rate reached 5.0 per cent in 2012, which was not a statistically significant increase. The proportion of unoccupied units still remained below the levels observed in the late 1990s, when more than 7 per cent of rental apartments were vacant.

This stability came on the heels of several years of easing on the rental market in the area, which was mostly attributable to a strong movement to homeownership fuelled by favourable financing conditions. Now that the effect of the movement to homeownership has waned, the vacancy rate in the Sherbrooke CMA did not increase significantly.

In 2011, net migration in the Sherbrooke CMA was positive, reaching 1,741 people, but nevertheless decreased by 3 per cent year over year. Newcomers generally choose to rent when they arrive, so a decrease in migrants can therefore reduce demand for rental units.

The unemployment rate in the 15 to 24 age group has increased, which could lead to a decrease in demand for rental units, as students may in fact decide to stay with their parents or prefer to share apartments rather than rent their own, for example.

In addition, completions of semi-detached and row homes (housing types that can provide competition for the rental segment, given their affordability) increased, especially in Rock Forest and Magog.

Finally, rental unit completions dropped by 14 per cent in the first three quarters of 2012 compared to the same period in 2011. A persistent relatively high vacancy rate certainly contributed to curbing demand for new rental units in the area. The decrease in demand, combined with a decline in supply, was such that the vacancy rate did not change significantly year over year in the Sherbrooke area.

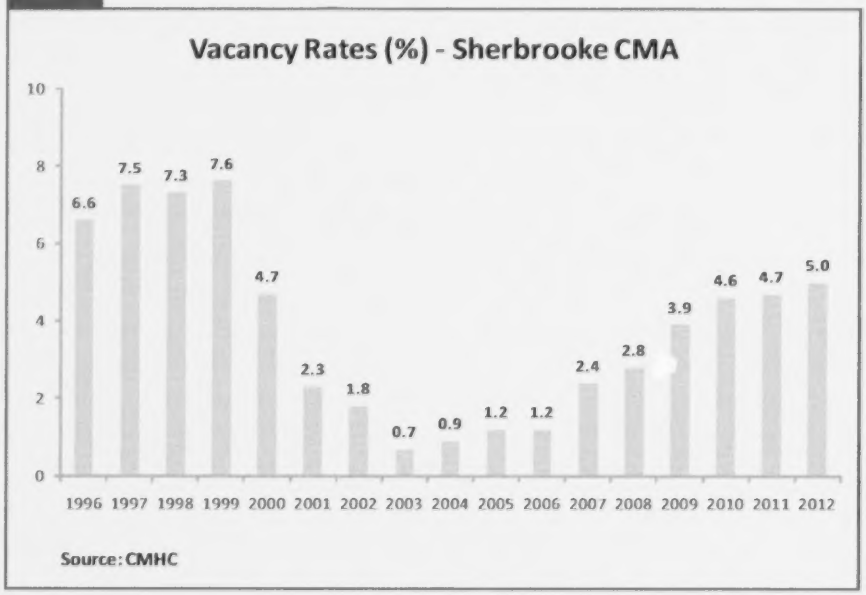
Rental market remains relatively stable in the outlying area

This year, the rental market in the outlying area remained generally stable, except in Magog, where the vacancy rate climbed by 1.5 percentage points to 5.5 per cent. It is possible that the increase in semi-detached and row home completions and steady condominium construction have led to a shift away from the rental market. In addition, the movement to homeownership may have caused the rental market to ease. Condominium sales in the existing house market grew by 5 per cent in the past 12 months, therefore contributing to increased competition on the rental market.

The Ascot–Lennoxville sector recorded the highest vacancy rate at 7.0 per cent. The sector's youth population has been recently faced with less full -time job prospects. This situation may have encouraged young people to share apartments or to stay with their parents, therefore reducing demand on the rental market. However, rental units in this sector only account for 12 per cent of the rental housing stock in the CMA.

In Rock Forest, the vacancy rate was 2.4 per cent. The relatively new rental structures in this sector can explain this rather low rate compared

Figure 2



to those recorded in other sectors. In fact, apartments requiring less renovation and offering a modern decor may appear more attractive to tenants.

In Fleurimont, the vacancy rate did not change significantly, reaching 4.4 per cent (compared to 3.6 per cent in 2011).

Vacancy rates in the city of Sherbrooke remained essentially stable year over year. The western district is the only one having recorded an rise in vacancy rate (4.2 per cent compared to 3.0 per cent in October 2011). The preference for newer apartments, located in neighbouring districts, may have prompted renters to leave the area.

The vacancy rate in the central district, for its part, remained stable, attaining 5.1 per cent (versus 5.5 per cent). Given the significant number of immigrants concentrated in this sector, the impact of the decrease in net migration was probably felt more significantly there, limiting the drop in the rate. Similarly, in the east district, the vacancy rate reached 4.8 per cent, the same result as last year.

Results by bedroom type

As was the case last year, the vacancy rate for bachelor units did not change significantly and reached 5.2 per cent in 2012. Larger apartments in the Sherbrooke CMA also did not record any significant changes in 2012. In the other categories, the vacancy rates reached 4.2 per cent for one-bedroom apartments, 5.4 per cent for two-bedroom apartments and 4.6 per cent for apartments with three or more bedrooms.

Magog posted the most significant increase in the two-bedroom apartment vacancy rate, which climbed from 3.4 per cent in 2011 to 5.2 per cent in 2012. As previously mentioned, the rise in semi-detached and row home completions and the growth in condominium sales may be among the factors that drove down demand for rental units.

Vacancy rate stays stable in smaller structures

The vacancy rates for two-bedroom apartments remained stable in structures with less than 20 units, as they attained 4.9 per cent for structures with 6 to 19 units and 2.5

Figure 3

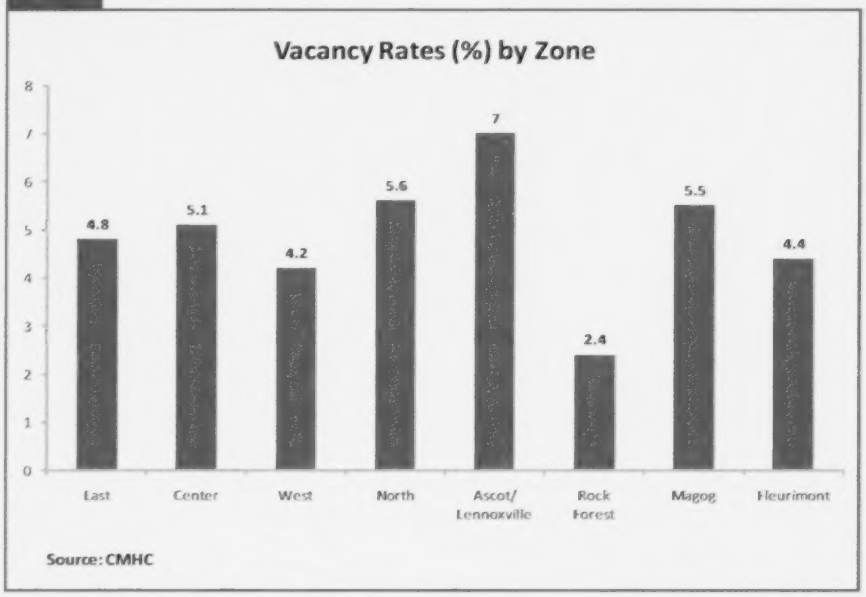
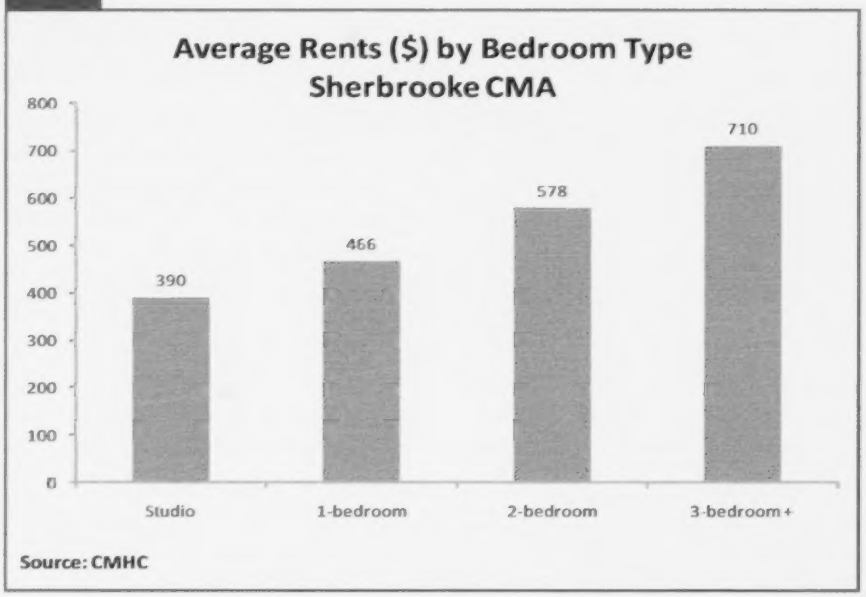


Figure 4



per cent for those with 3 to 5 units. The vacancy rate for rental structures with 50 to 99 units reached 11.6 per cent.

The vacancy rates for structures with 20 to 49 units and those with 50 to 99 units, for their part, increased slightly, rising to 7.3 per cent and 6.7 per cent, respectively.

Structures built in the 1990s post the lowest vacancy rates

An analysis of the results by year of construction revealed that the vacancy rates varied between 4.7 per cent and 5.7 per cent for properties built in 1989 or before. In addition, their vacancy rates did not change significantly in comparison with the previous year.

The vacancy rate for structures built in the year 2000 or after remained stable at 3.9 per cent. In the case of structures dating from 1990 to 1999, the vacancy rate was 2.5 per cent.

The popularity of units in newer structures may result from the fact that they are in better condition and also meet current needs and offer a more modern decor.

Rents in 2012

The average rent for two-bedroom apartments is measured at $578 in October 2012, a level practically unchanged from the same time last year. The stabilization extended to the other bedroom type categories. The average rent for three-bedroom apartments remained almost unchanged, reaching $710 in 2012, while the averages for bachelor apartments and one-bedroom units attained $390 and $462, respectively.

This stabilization in rents may be due to competition from the affordable housing types, which has been one of the causes of the easing of the vacancy rate over the past few years. In fact, several developers promoted the merits of mortgage payments equal to rents, which may have attracted many first-time buyers and intensified the movement to homeownership in recent years. A more in-depth analysis revealed that the more affordable sectors to rent two-bedroom apartments were the central ($526) and west ($544) districts of the city of Sherbrooke, while the highest average rents for units of this type were recorded in the north district and Rock Forest (around $620). The relatively recent rental structures in these sectors were one of the factors that accounted for the difference in the rent levels.

The estimated change in the average apartment rent was 0.5 per cent between the October 2011 and October 2012 surveys in the Sherbrooke CMA. The estimate is based on structures that were common to the survey samples for both these Fall Rental Market Surveys. However, some composition effects still remain, for example, rental units renovated/upgraded or changing tenants, because the survey does not collect data to such level of details. In fact, the estimated change in the average apartment rent remained relatively small in 2012. Given the fairly high vacancy rate compared to the rates in the other metropolitan areas of the province, landlords were forced to keep rents stable.

Few renters to move in the short term

In 2012, the availability rate for rental apartments was essentially the same as the vacancy rate in the Sherbrooke CMA, as it came in at 5.2 per cent. It should be recalled that a rental unit is considered available if the unit is vacant, or if the existing tenant has given, or received, notice to move, and a new tenant has not signed a lease.

This means that few renters were planning or having to move from their current units, either to find another or to access homeownership. It should be mentioned, however, that the fall season is not a time of year when many tenants typically move in Quebec.

Market to remain stable in 2013

In 2013, the vacancy rate will remain relatively stable in the Sherbrooke CMA. The main factor limiting the easing of the rental market will be the slowdown in rental housing stars, which will continue in 2013. In addition, steady net migration and increasing youth employment will stimulate demand for rental housing next year. Rents, for their part, should increase slightly, given the relatively high vacancy rate.

Across Quebec

Market conditions generally eased in Quebec's major urban centres, except in the Sherbrooke CMA, where the vacancy rate remained relatively stable. As a result, the vacancy rates in the Trois-Rivières and Sherbrooke CMAs, which reached 5.2 per cent and 5.0 per cent, respectively, were among the highest in the province.

Conversely, the Québec and Saguenay CMAs posted the lowest proportions of vacant units, at 2.0 per cent in both cases, making them the tight markets. For all census agglomerations (CAs) with 50,000 to 99,999 inhabitants, the average vacancy rate attained 4.5 per cent. Overall, the softer conditions on the regional markets came with smaller increases in average rents. In fact, the estimated changes in the average rents between October 2011 and October 2012 ranged from 0.5 per cent in the Sherbrooke CMA to 1.9 per cent in the Québec CMA.

The reason why the vacancy rate in Sherbrooke was one of the highest among all the CMAS in Quebec was mainly the result of a slowdown in the demand for rental units.

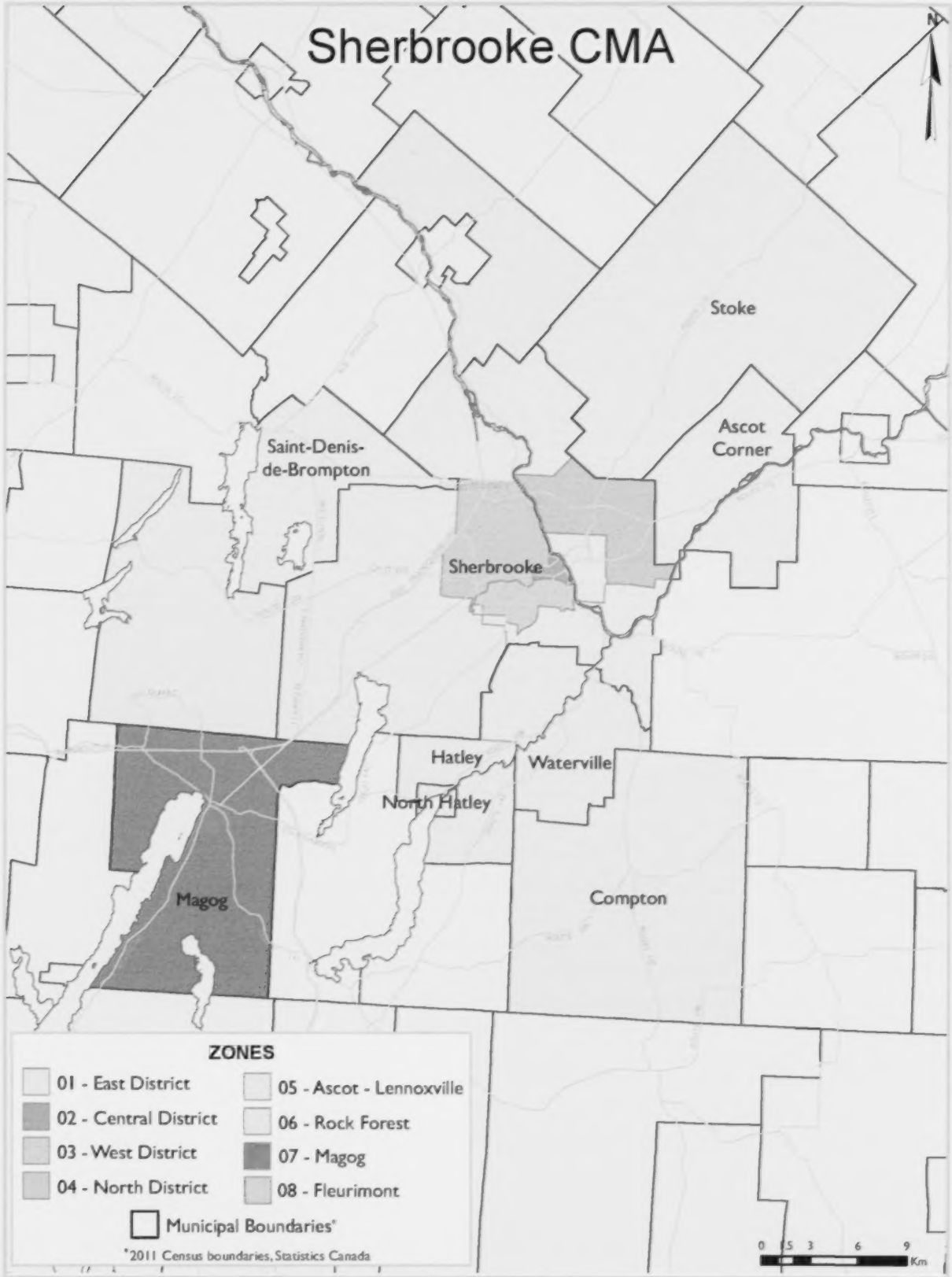
Favourable financing conditions for homebuying in the last year prompted many renter households to become homeowners during this period. In fact, freehold housing starts reached a high level in 2012, which suggests a movement to homeownership likely occurred. It should be mentioned that starts of relatively more affordable housing types (semi-detached and row homes) have regained popularity these past few years. With the low mortgage rates, the low prices of these homes certainly persuaded many renter households to buy homes.

Since the effect of the movement is waning, the vacancy rate in the Sherbrooke CMA did not increase significantly over the last two years.

Apartment Vacancy Rates (%) by Major Centres

	Oct. 2011	Oct. 2012
Abbotsford	6.7	4.2
Barrie	1.7	2.0
Brantford	1.8	3.5
Calgary	1.9	1.3
Edmonton	3.3	1.7
Gatineau	2.2	3.3
Greater Sudbury	2.8	2.7
Guelph	1.1	1.4
Halifax	2.4	3.0
Hamilton	3.4	3.5
Kelowna	3.0	4.0
Kingston	1.1	1.7
Kitchener-Cambridge-Waterloo	1.7	2.6
London	3.8	3.9
Moncton	4.3	6.7
Montréal	2.5	2.8
Oshawa	1.8	2.1
Ottawa	1.4	2.5
Peterborough	3.5	2.7
Québec	1.6	2.0
Regina	0.6	1.0
Saguenay	1.4	2.0
Saint John	5.9	9.7
Saskatoon	2.6	2.6
Sherbrooke	4.7	5.0
St. Catharines-Niagara	3.2	4.0
St. John's	1.3	2.8
Thunder Bay	1.7	1.1
Toronto	1.4	1.7
Trois-Rivières	3.9	5.2
Vancouver	1.4	1.8
Victoria	2.1	2.7
Windsor	8.1	7.3
Winnipeg	1.1	1.7
Total	**2.2**	**2.6**

For additional information, please refer to the Rental Market Report - Canada Highlights on the CMHC website


Sherbrooke CMA
N
Stoke
Ascot Corner
Saint-Denis-de-Brompton
Sherbrooke
Hatley
Waterville
North Hatley
Magog
Compton
ZONES
01 - East District
02 - Central District
03 - West District
04 - North District
05 - Ascot - Lennoxville
06 - Rock Forest
07 - Magog
08 - Fleurimont
Municipal Boundaries*
*2011 Census boundaries, Statistics Canada
0 1.5 3 6 9
Km

RMS ZONE DESCRIPTIONS - SHERBROOKE CMA	
Zone 1	**East District** - North: City Limits; South: City Limits; East: City Limits; West: St-François River.
Zone 2	**Central District** - North: St-François River; South: Galt West and Wellington; East: St-François River; West: Belvedère and Queen North.
Zone 3	**West District** - North: Magog River and Galt West; South: City Limits; East: Wellington South; West: Magog River.
Zone 4	**North District** - North: City Limits; South: Magog River; East: St-François River and Queen North.
Zones 1-4	**Sherbrooke City (before the merger)**
Zone 5	**Canton of Ascot and City of Lennoxville** - Including: Ascot Corner, Bromptonville, Brompton Township, St-Denis-de-Brompton and Stoke.
Zone 6	**Rock Forest** - Including: Deauville, North Hatley and Hatley Township, Saint-Élie d'Orford.
Zone 7	**Magog**
Zone 8	**Fleurimont**
Zones 1-8	**Sherbrooke CMA**

RENTAL MARKET REPORT TABLES

Available in ALL Rental Market Reports

Private Apartment Data:

1.1.1 Vacancy Rates (%) by Zone and Bedroom Type
1.1.2 Average Rents ($) by Zone and Bedroom Type
1.1.3 Number of Units - Vacant and Universe by Zone and Bedroom Type
1.1.4 Availability Rates (%) by Zone and Bedroom Type
1.1.5 Estimate of Percentage Change (%) of Average Rent
1.2.1 Vacancy Rates (%) by Year of Construction and Bedroom Type
1.2.2 Average Rents ($) by Year of Construction and Bedroom Type
1.3.1 Vacancy Rates (%) by Structure Size and Bedroom Type
1.3.2 Average Rents ($) by Structure Size and Bedroom Type
1.4 Vacancy Rates (%) by Rent Range and Bedroom Type

Available in SELECTED Rental Market Reports

Private Apartment Data:

1.3.3 Vacancy Rates (%) by structure Size and Zone

Private Row (Townhouse) Data:

2.1.1 Vacancy Rates (%) by Zone and Bedroom Type
2.1.2 Average Rents ($) by Zone and Bedroom Type
2.1.3 Number of Units - Vacant and Universe by Zone and Bedroom Type
2.1.4 Availability Rates (%) by Zone and Bedroom Type
2.1.5 Estimate of Percentage Change (%) of Average Rent

Private Apartment and Row (Townhouse) Data:

3.1.1 Vacancy Rates (%) by Zone and Bedroom Type
3.1.2 Average Rents ($) by Zone and Bedroom Type
3.1.3 Number of Units - Vacant and Universe by Zone and Bedroom Type
3.1.4 Availability Rates (%) by Zone and Bedroom Type
3.1.5 Estimate of Percentage Change (%) of Average Rent

Available in the Quebec, Montreal, Ottawa, Toronto, Winnipeg, Regina, Saskatoon, Edmonton, Calgary, Vancouver and Victoria Reports

Rental Condominium Apartment Data *

4.1.1 Rental Condominium Apartments and Private Apartments in the RMS - Vacancy Rates (%)
4.1.2 Rental Condominium Apartments and Private Apartments in the RMS - Average Rents ($)
4.1.3 Rental Condominium Apartments - Average Rents ($)
4.2.1 Rental Condominium Apartments and Private Apartments in the RMS - Vacancy Rates (%) by Building Size
4.3.1 Condominium Universe, Rental Units, Percentage of Units in Rental and Vacancy Rate
4.3.2 Condominium Universe, Rental Units, Percentage of Units in Rental and Vacancy Rate by Building Size

Available in the Montreal, Toronto, Vancouver, St. John's, Halifax, Quebec, Barrie, Ottawa, Winnipeg, Regina, Saskatoon, Calgary, Edmonton, Abbotsford, Kelowna and Victoria Reports

Secondary Rented Unit Data

5.1 Secondary Rented Unit Average Rents ($) by Dwelling Type
5.2 Estimated Number of Households in Secondary Rented Units and Estimated Percentage of Households in Secondary Rented Units by Dwelling Type

1.1.1 Private Apartment Vacancy Rates (%) by Zone and Bedroom Type Sherbrooke CMA

Zone	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-11	Oct-12	Oct-11	Oct-12	Oct-11	Oct-12	Oct-11	Oct-12	Oct-11	Oct-12
Zone 1 - East District	**	**	3.6	5.7	4.7	4.1	3.9	4.8	4.8	4.8
Zone 2 - Central District	**	4.7	3.4	4.9	5.4	5.3	**	5.7	5.5	5.1
Zone 3 - West District	2.2	5.1	2.7	3.3	3.2	4.9	**	2.8	3.1	4.2
Zone 4 - North District	4.9	4.7	9.3	2.7	6.0	7.2	3.7	3.9	6.0	5.6
Sherbrooke City (before the merger)	6.1	5.3	4.4	4.3	4.8	5.4	4.4	4.0	4.7	4.9
Zone 5 - Ascot/Lennoxville	**	**	3.6	4.5	7.1	7.5	6.7	10.2	6.1	7.0
Zone 6 - Rock Forest	**	**	2.6	0.9	3.2	3.5	2.8	0.8	3.0	2.4
Zone 7 - Magog	9.3	10.1	3.7	4.4	3.4	5.2	4.4	6.0	4.0	5.5
Zone 8 - Fleurimont	**	3.5	4.5	5.4	3.2	4.2	4.3	4.4	3.6	4.4
Sherbrooke CMA	**6.2**	**5.2**	**4.2**	**4.2**	**4.7**	**5.4**	**4.5**	**4.6**	**4.7**	**5.0**

The following letter codes are used to indicate the reliability of the estimates:
a - Excellent, b- Very good, c - Good, d - Fair (Use with Caution)
** Data suppressed to protect confidentiality or data not statistically reliable.
n/u: No units exist in the universe for this category n/s: No units exist in the sample for this category n/a: Not applicable

Please click Methodology or Data Reliability Tables Appendix link for more details

1.1.2 Private Apartment Average Rents ($) by Zone and Bedroom Type Sherbrooke CMA

Zone	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-11	Oct-12	Oct-11	Oct-12	Oct-11	Oct-12	Oct-11	Oct-12	Oct-11	Oct-12
Zone 1 - East District	368	365	453	460	560	568	692	700	532	546
Zone 2 - Central District	374	364	433	435	547	526	681	625	494	480
Zone 3 - West District	409	404	441	455	537	544	680	661	525	527
Zone 4 - North District	427	410	532	519	622	617	730	779	618	622
Sherbrooke City (before the merger)	398	389	461	467	574	576	702	709	552	557
Zone 5 - Ascot/Lennoxville	393	391	464	470	553	558	694	698	552	554
Zone 6 - Rock Forest	**	**	473	466	626	620	700	721	629	623
Zone 7 - Magog	372	373	430	422	575	576	691	701	564	563
Zone 8 - Fleurimont	453	472	504	484	589	591	727	735	611	612
Sherbrooke CMA	**397**	**390**	**462**	**466**	**577**	**578**	**702**	**710**	**562**	**565**

The following letter codes are used to indicate the reliability of the estimates (cv = coefficient of variation):
a - Excellent ($0 \leq cv \leq 2.5$), b- Very good ($2.5 < cv \leq 5$), c - Good ($5 < cv \leq 7.5$), d - Fair (Use with Caution) ($7.5 < cv \leq 10$)
** Data suppressed to protect confidentiality or data not statistically reliable.
n/u: No units exist in the universe for this category n/s: No units exist in the sample for this category n/a: Not applicable

Please click Methodology or Data Reliability Tables Appendix link for more details

1.1.3 Number of Private Apartment Units in the Universe by Zone and Bedroom Type Sherbrooke CMA

Zone	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-11	Oct-12	Oct-11	Oct-12	Oct-11	Oct-12	Oct-11	Oct-12	Oct-11	Oct-12
Zone 1 - East District	406	426	1,815	1,865	3,743	3,769	871	913	6,835	6,973
Zone 2 - Central District	417	392	769	806	805	775	284	301	2,275	2,274
Zone 3 - West District	757	765	1,487	1,495	3,305	3,260	972	1,011	6,521	6,531
Zone 4 - North District	399	392	1,138	1,153	3,694	3,750	1,363	1,383	6,594	6,678
Sherbrooke City (before the merger)	1,979	1,975	5,209	5,319	11,547	11,554	3,490	3,608	22,225	22,456
Zone 5 - Ascot/Lennoxville	101	103	1,018	1,057	2,139	2,187	649	670	3,907	4,017
Zone 6 - Rock Forest	11	7	264	279	1,535	1,518	612	632	2,422	2,436
Zone 7 - Magog	133	122	408	384	1,234	1,254	455	475	2,230	2,235
Zone 8 - Fleurimont	51	49	232	233	946	978	479	533	1,708	1,793
Sherbrooke CMA	**2,275**	**2,256**	**7,131**	**7,272**	**17,401**	**17,491**	**5,685**	**5,918**	**32,492**	**32,937**

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n/u: No units exist in the universe for this category n/s: No units exist in the sample for this category n/a: Not applicable

Please click Methodology or Data Reliability Tables Appendix link for more details

1.1.4 Private Apartment Availability Rates (%) by Zone and Bedroom Type Sherbrooke CMA

Zone	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-11	Oct-12	Oct-11	Oct-12	Oct-11	Oct-12	Oct-11	Oct-12	Oct-11	Oct-12
Zone 1 - East District	**	**	3.8	6.0	5.3	4.6	4.2	5.1	5.3	5.2
Zone 2 - Central District	**	4.7	3.7	5.3	**	5.5	**	5.7	6.2	5.3
Zone 3 - West District	2.4	5.5	3.6	3.4	3.4	4.9	**	2.8	3.5	4.2
Zone 4 - North District	4.9	4.7	9.3	2.7	6.0	7.2	3.7	3.9	6.0	5.6
Sherbrooke City (before the merger)	6.3	5.5	4.8	4.4	5.1	5.6	4.7	4.0	5.0	5.0
Zone 5 - Ascot/Lennoxville	**	**	3.6	4.7	7.1	8.1	6.7	11.0	6.1	7.6
Zone 6 - Rock Forest	**	**	2.6	0.9	3.2	3.5	3.7	0.8	3.2	2.4
Zone 7 - Magog	9.3	10.1	3.7	4.4	3.4	5.3	4.4	6.0	4.0	5.5
Zone 8 - Fleurimont	**	3.5	4.5	5.4	3.2	4.4	4.3	4.6	3.6	4.5
Sherbrooke CMA	**6.4**	**5.5**	**4.5**	**4.4**	**4.9**	**5.6**	**4.7**	**4.7**	**4.9**	**5.2**

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Please click Methodology or Data Reliability Tables Appendix link for more details

1.1.5 Private Apartment Estimate of Percentage Change (%) of Average Rent [1] by Bedroom Type Sherbrooke CMA

Centre	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-10 to Oct-11	Oct-11 to Oct-12	Oct-10 to Oct-11	Oct-11 to Oct-12	Oct-10 to Oct-11	Oct-11 to Oct-12	Oct-10 to Oct-11	Oct-11 to Oct-12	Oct-10 to Oct-11	Oct-11 to Oct-12
Zone 1 - East District	**	++	2.8	++	2.3	1.1	++	++	1.6	0.9
Zone 2 - Central District	5.0	++	++	++	++	++	++	++	**	++
Zone 3 - West District	2.3	0.8	0.8	1.9	1.0	**	2.9	++	1.0	1.5
Zone 4 - North District	**	-4.2	++	++	0.9	++	++	++	1.1	++
Sherbrooke City (before the merger)	5.0	++	1.4	++	1.3	0.9	0.9	++	1.3	++
Zone 5 - Ascot/Lennoxville	**	++	3.0	1.0	1.9	2.1	++	++	2.3	1.3
Zone 6 - Rock Forest	**	**	++	++	++	++	++	**	++	++
Zone 7 - Magog	8.5	2.8	3.7	++	1.9	++	1.3	++	1.9	0.5
Zone 8 - Fleurimont	**	**	**	-1.1	2.2	-0.9	**	++	2.1	-1.0
Sherbrooke CMA	**4.9**	**++**	**1.6**	**++**	**1.5**	**0.8**	**0.9**	**++**	**1.4**	**0.5**

[1]The Percentage Change of Average Rent is a measure of the market movement, and is based on those structures that were common to the survey sample for both years.

The following letter codes are used to indicate the reliability of the estimates:
a - Excellent, b- Very good, c - Good, d - Fair (Use with Caution)
** Data suppressed to protect confidentiality or data not statistically reliable.
++ Change in rent is not statistically significant. This means that the change in rent is not statistically different than zero (0).
n/u: No units exist in the universe for this category n/s: No units exist in the sample for this category n/a: Not applicable

Please click Methodology or Data Reliability Tables Appendix link for more details

1.2.1 Private Apartment Vacancy Rates (%) by Year of Construction and Bedroom Type Sherbrooke CMA

Year of Construction	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-11	Oct-12	Oct-11	Oct-12	Oct-11	Oct-12	Oct-11	Oct-12	Oct-11	Oct-12
Sherbrooke CMA										
Pre 1940	**	5.5	4.7	5.1	3.7	4.8	**	**	5.1	5.3
1940 - 1959	3.4	**	**	3.5	3.8	**	**	**	3.0	5.2
1960 - 1974	**	5.3	5.4	5.2	5.2	4.6	5.1	3.9	5.5	4.7
1975 - 1989	5.0	4.3	4.1	3.1	6.1	6.7	5.4	6.4	5.5	5.7
1990 - 1999	0.0	4.8	0.0	**	1.0	1.1	0.0	**	0.6	2.5
2000+	**	0.0	3.6	3.1	3.1	5.2	3.6	2.3	3.3	3.9
Total	6.2	5.2	4.2	4.2	4.7	5.4	4.5	4.6	4.7	5.0

The following letter codes are used to indicate the reliability of the estimates:
a - Excellent, b- Very good, c - Good, d - Fair (Use with Caution)
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1.2.2 Private Apartment Average Rents ($) by Year of Construction and Bedroom Type Sherbrooke CMA

Year of Construction	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-11	Oct-12	Oct-11	Oct-12	Oct-11	Oct-12	Oct-11	Oct-12	Oct-11	Oct-12
Sherbrooke CMA										
Pre 1940	373	366	419	415	520	505	677	625	514	487
1940 - 1959	365	362	425	437	513	520	676	639	499	499
1960 - 1974	397	383	461	460	551	546	663	668	527	524
1975 - 1989	426	423	472	478	568	571	671	663	554	558
1990 - 1999	401	441	457	481	610	605	724	737	629	617
2000+	381	424	592	582	705	710	803	868	715	742
Total	397	390	462	466	577	578	702	710	562	565

The following letter codes are used to indicate the reliability of the estimates (cv = coefficient of variation):
a - Excellent ($0 \leq cv \leq 2.5$), b - Very good ($2.5 < cv \leq 5$), c - Good ($5 < cv \leq 7.5$), d - Fair (Use with Caution) ($7.5 < cv \leq 10$)
** Data suppressed to protect confidentiality or data not statistically reliable.
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Please click Methodology or Data Reliability Tables Appendix link for more details

1.3.1 Private Apartment Vacancy Rates (%) by Structure Size and Bedroom Type Sherbrooke CMA

Size	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-11	Oct-12	Oct-11	Oct-12	Oct-11	Oct-12	Oct-11	Oct-12	Oct-11	Oct-12
Sherbrooke CMA										
3 to 5 Units	**	**	4.5	**	2.3	2.5	2.9	2.5	2.8	2.8
6 to 19 Units	5.6	**	3.3	4.6	4.2	4.9	5.0	5.1	4.2	5.0
20 to 49 Units	6.8	4.9	4.5	4.5	8.2	8.6	8.3	11.3	6.9	7.3
50 to 99 Units	10.8	4.0	5.5	2.0	6.3	11.6	1.9	2.6	6.5	6.7
100+ Units	**	**	7.6	2.5	**	**	**	**	3.6	1.4
Total	6.2	5.2	4.2	4.2	4.7	5.4	4.5	4.6	4.7	5.0

The following letter codes are used to indicate the reliability of the estimates:
a - Excellent, b - Very good, c - Good, d - Fair (Use with Caution)
** Data suppressed to protect confidentiality or data not statistically reliable.
n/u: No units exist in the universe for this category n/s: No units exist in the sample for this category n/a: Not applicable

Please click Methodology or Data Reliability Tables Appendix link for more details

1.3.1 Private Apartment Vacancy Rates (%) by Structure Size and Bedroom Type Sherbrooke CMA

Size	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-11	Oct-12	Oct-11	Oct-12	Oct-11	Oct-12	Oct-11	Oct-12	Oct-11	Oct-12
Sherbrooke CMA										
3 to 5 Units	**	**	4.5	**	2.3	2.5	2.9	2.5	2.8	2.8
6 to 19 Units	5.6	**	3.3	4.6	4.2	4.9	5.0	5.1	4.2	5.0
20 to 49 Units	6.8	4.9	4.5	4.5	8.2	8.6	8.3	11.3	6.9	7.3
50 to 99 Units	10.8	4.0	5.5	2.0	6.3	11.6	1.9	2.6	6.5	6.7
100+ Units	**	**	7.6	2.5	**	**	**	**	3.6	1.4
Total	6.2	5.2	4.2	4.2	4.7	5.4	4.5	4.6	4.7	5.0

The following letter codes are used to indicate the reliability of the estimates (cv = coefficient of variation):
a - Excellent ($0 \leq cv \leq 2.5$), b- Very good ($2.5 < cv \leq 5$), c - Good ($5 < cv \leq 7.5$), d - Fair (Use with Caution) ($7.5 < cv \leq 10$)
** Data suppressed to protect confidentiality or data not statistically reliable.
n/u: No units exist in the universe for this category n/s: No units exist in the sample for this category n/a: Not applicable

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1.3.3 Private Apartment Vacancy Rates (%) by Structure Size and Zone Sherbrooke CMA

Zone	3-5		6-19		20-49		50-99		100+	
	Oct-11	Oct-12	Oct-11	Oct-12	Oct-11	Oct-12	Oct-11	Oct-12	Oct-11	Oct-12
Zone 1 - East District	2.9	3.7	4.0	5.4	6.4	5.0	15.3	6.7	**	**
Zone 2 - Central District	5.0	3.7	6.6	5.5	3.2	6.4	**	**	n/u	n/u
Zone 3 - West District	**	**	3.6	7.1	4.3	4.7	0.8	0.5	**	**
Zone 4 - North District	**	**	**	3.5	9.4	8.9	6.6	9.8	**	**
Sherbrooke City (before the merger)	3.7	2.9	4.1	5.4	6.5	6.2	6.7	6.9	3.6	1.4
Zone 5 - Ascot/Lennoxville	0.0	**	4.5	4.0	9.1	11.1	**	**	n/u	n/u
Zone 6 - Rock Forest	0.4	0.6	3.4	**	7.7	5.0	n/u	n/u	n/u	n/u
Zone 7 - Magog	2.0	4.0	5.9	6.7	4.6	7.0	n/u	n/u	n/u	n/u
Zone 8 - Fleurimont	**	**	3.9	1.9	4.5	8.0	n/u	n/u	n/u	n/u
Sherbrooke CMA	**2.8**	**2.8**	**4.2**	**5.0**	**6.9**	**7.3**	**6.5**	**6.7**	**3.6**	**1.4**

The following letter codes are used to indicate the reliability of the estimates:
a - Excellent, b- Very good, c - Good, d - Fair (Use with Caution)
** Data suppressed to protect confidentiality or data not statistically reliable.
n/u: No units exist in the universe for this category n/s: No units exist in the sample for this category n/a: Not applicable

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1.4 Private Apartment Vacancy Rates (%) by Rent Range and Bedroom Type Sherbrooke CMA

Rent Range	Bachelor		1 Bedroom		2 Bedroom		3 Bedroom +		Total	
	Oct-11	Oct-12	Oct-11	Oct-12	Oct-11	Oct-12	Oct-11	Oct-12	Oct-11	Oct-12
Sherbrooke CMA										
LT $400	9.0	6.5	5.9	5.7	**	**	**	**	7.5	6.4
$400 - $499	2.9	4.4	3.1	4.5	3.1	3.9	**	**	3.1	4.3
$500 - $599	9.7	1.6	6.0	2.7	5.7	6.1	2.7	3.7	5.5	5.4
$600 - $699	n/s	**	**	1.8	4.3	4.7	6.3	7.3	5.1	5.5
$700 - $799	**	n/s	**	0.0	3.4	3.7	3.0	2.5	3.5	3.1
$800+	n/s	n/s	**	**	9.8	**	4.5	3.9	5.7	**
Total	6.2	5.2	4.2	4.2	4.7	5.4	4.5	4.6	4.7	5.0

The following letter codes are used to indicate the reliability of the estimates:
a - Excellent, b- Very good, c - Good, d - Fair (Use with Caution)
** Data suppressed to protect confidentiality or data not statistically reliable.
n/u: No units exist in the universe for this category n/s: No units exist in the sample for this category n/a: Not applicable

Please click Methodology or Data Reliability Tables Appendix link for more details

TECHNICAL NOTE:

Difference between Percentage Change of Average Rents (Existing and New Structures) AND Percentage Change of Average Rents from Fixed Sample (Existing Structures Only):

Percentage Change of Average Rents (New and Existing Structures): The increase/decrease obtained from the calculation of percentage change of average rents between two years (example: $500 in the previous year vs. $550 in current survey represents an increase of 10 percent) is impacted by changes in the composition of the rental universe (e.g. the inclusion of newly built luxury rental buildings in the survey, rental units renovated/upgraded or changing tenants could put upward pressure on average rents in comparison to the previous year) as well as by the rent level movement (e.g. increase/decrease in the level of rents that landlords charge their tenants).

Percentage Change of Average Rents from Fixed Sample (Existing Structures Only): This is a measure that estimates the rent level movement. The estimate is based on structures that were common to the survey sample for both the previous year and the current Rental Market Surveys. However, some composition effects still remain e.g. rental units renovated/upgraded or changing tenants because the survey does not collect data to such level of details.

METHODOLOGY FOR RENTAL MARKET SURVEY

Canada Mortgage and Housing Corporation (CMHC) conducts the **Rental Market Survey** (RMS) every year in April and October to estimate the relative strengths in the rental market. The survey is conducted on a sample basis in all urban areas with populations of 10,000 and more. The survey targets only privately initiated structures with at least three rental units, which have been on the market for at least three months. The survey collects market rent, available and vacant unit data for all sampled structures.
The survey is conducted by a combination of telephone interviews and site visits, and information is obtained from the owner, manager, or building superintendent. The survey is conducted during the first two weeks of April/October, and the results reflect market conditions at that time.

CMHC's Rental Market Survey provides a snapshot of vacancy and availability rates, and average rents in both new and existing structures. There also exists a measure for the change in rent that is calculated based on existing structures only. The estimate is based on structures that were common to the survey sample for both the previous year and the current Rental Market Surveys. The change in rent in existing structures is an estimate of the change in rent that the landlords charge and removes compositional effects on the rent level movement due to new buildings, conversions, and survey sample rotation. The estimate of per cent change in rent is available in all Canada and Provincial Highlights publications, and also in the CMA reports (fall survey only). The rent levels in new and existing structures are also published. While the per cent change in rents in existing structures published in the reports are statistically significant, changes in rents that one might calculate based on rent levels in new and existing structures may or may not be statistically significant.

METHODOLOGY FOR SECONDARY RENTAL MARKET SURVEY

Canada Mortgage and Housing Corporation (CMHC) conducts a survey of the **Secondary Rental Market** (SRMS) in September and October to estimate the relative strengths in the secondary rental market which is defined as those dwellings not covered by the regular RMS. CMHC has identified the following dwelling components to be included in SRMS:

- Rented single-detached houses.
- Rented double (semi-detached) houses (i.e.. Two units of approximate equal size and under one roof that are situated either side-by-side or front-to-back).
- Rented freehold row/town homes.
- Rented duplex apartments (i.e.. one-above-other).
- Rented accessory apartments (separate dwelling units that are located within the structure of another dwelling type).
- Rented condominiums (can be any dwelling type but are primarily apartments).
- One or two apartments which are part of a commercial or other type of structure.

The SRMS has three components which are conducted in selected CMAs:

- A Household Rent Survey of all households to collect information about rents.
- A Condominium Apartment Rent Survey of households living in condominium apartments to collect information about rents.
- A Condominium Apartment Vacancy Survey of condominium apartment owners to collect vacancy information.

All three surveys are conducted by telephone interviews. For the condominium apartment vacancy survey, information is obtained from the owner, manager, or building superintendent and can be supplemented by site visits if no telephone contact is made. For the other two surveys, information is collected from an adult living in the household. All surveys are conducted in September and October, and the results reflect market conditions at that time.

CMHC publishes the number of units rented and vacancy rates for the condominium vacancy survey. For the condominium rent and household rent surveys, the average rent is published. A letter code representing the statistical reliability (i.e., the coefficient of variation (CV)) for each estimate is provided to indicate the data reliability. Rented condominium apartments were surveyed in the following CMAs: Vancouver, Victoria, Calgary, Edmonton, Regina, Saskatoon, Winnipeg, Toronto, Ottawa, Montréal and Québec (NOTE: Condo rent data was not collected for Regina and Saskatoon). Other secondary rental market units were surveyed in Abbotsford, Barrie, Calgary, Edmonton, Halifax, Montreal, Ottawa, Quebec, St. John's, Toronto, Winnipeg, Regina, Saskatoon, Kelowna, Vancouver and Victoria.

Every year CMHC reviews the method of estimation for Household Rent Survey, which may result in some changes to previously published estimates. All statistics in this report are reflective of the new method of estimation.

DEFINITIONS

Availability: A rental unit is considered available if the existing tenant has given, or has received, notice to move, and a new tenant has not signed a lease; or the unit is vacant (see definition of vacancy below).

Rent: The rent refers to the actual amount tenants pay for their unit. No adjustments are made for the inclusion or exclusion of amenities and services such as heat, hydro, parking, and hot water. For available and vacant units, the rent is the amount the owner is asking for the unit.

It should be noted that the average rents reported in this publication provide a sound indication of the amounts paid by unit size and geographical sector. Utilities such as heating, electricity and hot water may or may not be included in the rent.

Rental Apartment Structure: Any building containing three or more rental units, of which at least one unit is not ground oriented. Owner-occupied units are not included in the rental building unit count.

Rental Row (Townhouse) Structure: Any building containing three or more rental units, all of which are ground oriented with vertical divisions. Owner-occupied units are not included in the rental building unit count. These row units in some centres are commonly referred to as townhouses.

Vacancy: A unit is considered vacant if, at the time of the survey, it is physically unoccupied and available for immediate rental.

Definitions of Census Areas referred to in this publication are as follows:

A census metropolitan area (CMA) or a census agglomeration (CA) is formed by one or more adjacent municipalities centred on a large urban area (known as the urban core). The census population count of the urban core is at least 10,000 to form a census agglomeration and at least 100,000 to form a census metropolitan area. To be included in the CMA or CA, other adjacent municipalities must have a high degree of integration with the central urban area, as measured by commuting flows derived from census place of work data. CMAs and CAs contain whole municipalities or Census Subdivisions.

October 2011 data presented is based on Statistics Canada's 2006 Census area definitions. October 2012 data presented is based on Statistics Canada's 2011 Census area definitions.

Acknowledgement

The Rental Market Survey and the Secondary Rental Market Survey could not have been conducted without the cooperation of the rental property owners, managers, building superintendents and household members throughout Canada. CMHC acknowledges their hard work and assistance in providing timely and accurate information. As a result of their contribution, CMHC is able to provide information that benefits the entire housing industry.

Rental Affordability Indicators

CMHC no longer reports on its rental affordability indicators (i.e. average rent compared to average renter income) given significant variability of underlying renter income data.

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